

FISCAL NOTE

Bill #: HB0504

Title: Eliminate PSC authority over motor carrier transportation

Primary Sponsor: Smith, F

Status: As Introduced

Sponsor signature	Date	Chuck Swysgood, Budget Director	Date
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Fiscal Summary

	<u>FY 2004 Difference</u>	<u>FY 2005 Difference</u>
Expenditures:		
General Fund	\$0	\$0
State Special Revenue	(\$53,729)	(\$54,333)
Federal Special Revenue	\$23,617	\$21,200
Revenue:		
General Fund	(\$5,375)	(\$5,375)
Net Impact on General Fund Balance:	(\$5,375)	(\$5,375)

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|---|---|
| <input type="checkbox"/> Significant Local Gov. Impact | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input checked="" type="checkbox"/> Significant Long-Term Impacts |
| <input type="checkbox"/> Dedicated Revenue Form Attached | <input checked="" type="checkbox"/> Needs to be included in HB 2 |

Fiscal Analysis

ASSUMPTIONS:

Department of Justice

1. The Montana Highway Patrol (MHP) assumes that this bill repeals the duties and responsibilities of the Public Service Commission regarding solid waste disposal transport companies, household good carriers, and passenger carriers. This repeal includes the elimination of all economic regulation and the need for hearings, investigations, and rate schedule development. In short, it deregulates all previously intra-state economically regulated carriers.
2. The Department of Justice will be required to maintain an insurance filing database for these carriers, in addition to tow trucks. This new service will require an additional FTE (grade 8 - \$24,091) to maintain the database. This FTE would be included in the Motor Carrier Safety Assistance Program and would be funded 80 percent federal and 20 percent state special revenue gas tax.
3. Operating expenses are estimated to increase by \$5,430 in FY 2004 and \$2,409 in FY 2005 for supplies, a computer, forms, postage, and rent expenses.
4. The MHP assumes that this is the only additional workload since these carriers fall under other statutes regarding safety and enforcement, which is currently being done.

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5. There is no fiscal impact to the Department of Revenue or the Department of Transportation.

Public Service Regulation

6. Motor carrier regulation would be removed from Department of Public Service Regulation (PSC) control. Rail safety will continue to be enforced by the PSC.
7. The same field enforcement officers who enforce the motor carrier statutes also inspect rail equipment so HB 504 would not affect the PSC field enforcement personnel.
8. The 2.00 FTE in the Helena office who are involved in motor carrier regulation also have other assigned commission duties. One FTE spends 90 percent time on motor carrier regulation, while the second spends less than 25 percent time on motor carrier regulation.
9. As a result of the bill, 1.00 FTE compliance specialist (grade 14) and 0.25 FTE attorney (grade 18) will no longer be assigned to motor carrier regulation.
10. The decrease of \$5,375 per year in revenue to the general fund is due to there no longer being the need for carriers to purchase the vehicle identifiers and there no longer being an application fee.

FISCAL IMPACT:**Department of Justice****Program 13-Montana Highway Patrol**

	<u>FY 2004</u> <u>Difference</u>	<u>FY 2005</u> <u>Difference</u>
FTE	1.00	1.00

Expenditures:

Personal Services	\$24,091	\$24,091
Operating Expenses	<u>5,430</u>	<u>2,409</u>
TOTAL	\$29,521	\$26,500

Funding of Expenditures:

State Special Revenue (02)	\$5,904	\$5,300
Federal Special Revenue (03)	<u>23,617</u>	<u>21,200</u>
TOTAL	\$29,521	\$26,500

Public Service Regulation

FTE	(1.25)	(1.25)
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Expenditures:

Personal Services	(\$59,633)	(\$59,633)
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Funding of Expenditures:

State Special Revenue (02)	(\$59,633)	(\$59,633)
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Revenues:

General Fund (01)	(\$5,375)	(\$5,375)
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Net Impact to Fund Balance (Revenue minus Funding of Expenditures):

General Fund (01)	(\$5,375)	(\$5,375)
State Special Revenue (02)	\$53,729	\$54,333
Federal Special Revenue (03)	(\$23,617)	(\$21,200)

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TECHNICAL NOTES:

With the above assumptions, Section 69-12-203 could be repealed because motor carrier safety and enforcement will be handled by the Dept of Justice, Highway Patrol, Motor Carrier Safety Assistance Program.

LONG-RANGE IMPACTS:

Deregulation of the affected carriers will be long-term.